

## IOWA FINANCE AUTHORITY[265]

## Adopted and Filed

Pursuant to the authority of Iowa Code sections 17A.3(1)“b,” 16.5(1)“r” and 16.54, the Iowa Finance Authority hereby amends Chapter 27, “Military Service Member Home Ownership Assistance Program,” Iowa Administrative Code.

The purpose of these amendments is to clarify the requirements of the Military Service Member Home Ownership Assistance Program and to implement Iowa Code section 16.54.

Notice of Intended Action was published in the Iowa Administrative Bulletin on June 29, 2011, as **ARC 9590B**. The Authority received no public comment on the proposed amendments and made no changes to the amendments as noticed.

The Iowa Finance Authority adopted these amendments on September 16, 2011.

After analysis and review of this rule making, no impact on jobs has been found.

These amendments are intended to implement Iowa Code sections 16.5(1)“r” and 16.54.

These amendments will become effective on November 9, 2011.

The following amendments are adopted.

ITEM 1. Amend rule **265—27.2(16)**, definition of “Qualified mortgage,” as follows:

“*Qualified mortgage*” means a permanent mortgage loan made pursuant to one of the authority’s home buyer mortgage programs unless the lender offers a lower annual percentage interest rate (APR), fixed-rate, fully amortizing first mortgage or, in cases where the home buyer is not eligible for standard 30-year, fixed-rate FHA, RD, VA, Fannie Mae, or Freddie Mac mortgage financing, any permanent, fully amortizing, ~~fixed-rate~~ mortgage loan made by a participating lender with a maturity date of not less than five years. The authority’s home buyer mortgage program information may be obtained on the authority’s Web site at [www.iowafinanceauthority.gov](http://www.iowafinanceauthority.gov).

ITEM 2. Amend subrule 27.3(2) as follows:

**27.3(2)** *Financed home purchases.*

*a.* In the case of the purchase of a qualified home that is to be financed, the eligible service member must apply for assistance under the program through a participating lender or a lender approved to facilitate MHOA assistance. The mortgage financing provided shall be a mortgage loan made pursuant to one of the authority’s home buyer mortgage programs if the service member qualifies for it, unless lower APR, fixed-rate, fully amortizing mortgage financing is available or unless another permanent, ~~fixed-rate~~, fully amortizing mortgage loan is available if the service member does not qualify for one of the authority’s home buyer mortgage programs.

*b. to d.* No change.

*e.* ~~Service members~~ A service member who were was otherwise eligible for the program and closed on a home on or after July 1, 2008, and prior to July 1, 2010, but who were was ineligible for assistance under the program at the during that time of closing due to the fact that they the service member purchased a home using a mortgage loan other than one made through one of IFA’s with financing from a lender that was not a participating lender in the authority’s home buyer programs, may retroactively receive assistance under the program provided that:

(1) The mortgage loan used by the service member had a lower annual percentage rate than the mortgage loans being made through the authority’s home buyer programs at the time the service member closed on the service member’s mortgage loan; ~~and~~

(2) The service member and the service member’s lender provide all documentation as required by paragraphs “b” through “d,” above; ~~and~~

(3) The financing lender becomes a facilitating lender pursuant to 27.3(7).

ITEM 3. Amend ~~265~~**Chapter 27**, implementation sentence, as follows:  
These rules are intended to implement Iowa Code ~~section~~ sections 16.5(1) “r” and ~~section~~ 16.54 as  
~~amended by 2010 Iowa Acts, House File 2148.~~

[Filed 9/16/11, effective 11/9/11]

[Published 10/5/11]

EDITOR’S NOTE: For replacement pages for IAC, see IAC Supplement 10/5/11.